



FORM LM-2 LABOR ORGANIZATION ANNUAL REPORT

**MUST BE USED BY LABOR ORGANIZATIONS WITH \$200,000 OR MORE IN
TOTAL ANNUAL RECEIPTS AND LABOR ORGANIZATIONS IN TRUSTEESHIP**

This report is mandatory under P.L. 86-257, as amended. Failure to comply may result in criminal prosecution, fines, or civil penalties as provided by 29 U.S.C. 439 or 440.

READ THE INSTRUCTIONS CAREFULLY BEFORE PREPARING THIS REPORT.

For Official Use Only 	1. FILE NUMBER 5 3 1 - 7 1 5	2. PERIOD COVERED MO DAY YEAR From 0 1 0 1 2 0 0 0 Through 1 2 3 1 2 0 0 0	3. (a) AMENDED — If this is an amended report correcting a previously filed report, check here: (b) TERMINAL — If your organization ceased to exist and this is its terminal report, see Section XII of the instructions and check here: (c) SUBSIDIARY — If this is a report for a subsidiary organization of your union as defined in Section X of the instructions, check here:
	8. MAILING ADDRESS (Type or print in capital letters.) First Name _____ Last Name _____ P.O. Box • Building and Room Number (if any) _____ Number and Street _____ City _____ State _____ ZIP Code + 4 _____		
JAMES PONT (2) 531-715 HOTEL EMPL, RESTAURANT EMPL AFL-CIO 530 LU 2850 548 20TH ST OAKLAND, CA 94612 12/2000 			
4. AFFILIATION OR ORGANIZATION NAME			
5. DESIGNATION (Local, Lodge, etc.)		6. DESIGNATION NUMBER	
7. UNIT NAME (if any)			
9. Are your organization's records kept at its mailing address? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> (If "No," provide address in Item 75.)			

75. ADDITIONAL INFORMATION (If more space is needed, attach additional pages properly identified.)	
Item Number	
11	Schedule attached
14	Schedule attached
23	Schedule attached
24	Schedule attached
76	Vice-President signed as President was not available

Each of the undersigned, duly authorized officers of the above labor organization, declares, under the applicable penalties of law, that all of the information submitted in this report (including the information contained in any accompanying documents) has been examined by the signatory and is, to the best of the undersigned's knowledge and belief, true, correct, and complete. (See Section VI on penalties in the instructions.)			
76. SIGNED: <u>Vincent Mitchell</u> 3 / 23 / 01 Date	<u>Vice-President</u> PRESIDENT (If other title, see instructions.) 510 893 - 3181 Telephone Number	77. SIGNED: <u>Seahie Kelly</u> 3 / 20 / 01 Date	<u>Treasurer</u> (If other title, see instructions.) 510 893 - 3181 Telephone Number

During the Reporting Period Did Your Organization:

10. Have a "subsidiary organization" as defined in Section X of the instructions? Yes ☐ No ☒
11. Create or participate in the administration of a trust or other fund or organization, as defined in the instructions, which provides benefits for members or their beneficiaries? ☒ ☐
12. Have a political action committee (PAC) fund? ☐ ☒
13. Acquire or dispose of any goods or property in any manner other than by purchase or sale? ☐ ☒
14. Have an audit or review of its books and records by an outside accountant or by a parent body auditor/representative? ☒ ☐
15. Discover any loss or shortage of funds or other property? ☐ ☒
(Answer "Yes" even if there has been repayment or recovery.)
16. Have any officer who was paid \$10,000 or more by your organization and also received \$10,000 or more as an officer or employee of another labor organization or of an employee benefit plan? ☐ ☒
17. Liquidate or reduce any liabilities without disbursement of cash? ☐ ☒

(If the answer to any of the above questions is "Yes," provide details in Item 75 on page 1 as explained in the instructions for each item.)

18. How many members did your organization have at the end of the reporting period? 2 0 5 1
19. What is the date of your organization's next regular election of officers? MO YEAR
0 4 - 2 0 0 3
20. What is the maximum amount recoverable under your organization's fidelity bond for a loss caused by any officer or employee of your organization? \$ 5 0 0 0 0 0
21. What are your organization's rates of dues and fees?
(Enter a minimum and maximum if more than one rate applies for any line.)

Rates of Dues and Fees	
(a) Regular Dues/Fees	\$18.00-33.80 per Month (Month, Year, etc.)
(b) Initiation Fees	\$50.00-97.50
(c) Transfer Fees	\$
(d) Work Permits	\$2.50 & 3.00 per Event (Month, Year, etc.)

22. During the reporting period, did your organization have any changes in its constitution and bylaws (other than rates of dues and fees) or in practices/procedures listed in the instructions? Yes ☐ No ☒
(If the constitution and bylaws have changed, attach two new dated copies. If practices/procedures have changed, see the instructions.)
23. Were any of your organization's assets pledged as security or encumbered in any other way at the end of the reporting period? ☒ ☐
24. Did your organization have any contingent liabilities at the end of the reporting period? ☒ ☐

(If the answer to Item 23 or 24 is "Yes," provide details in Item 75 on page 1.)

STATEMENT A — ASSETS AND LIABILITIES

FILE NUMBER: 5 3 1 - 7 1 5

Complete Schedules 1 Through 15 Before Completing Statement A

Enter Amounts in Dollars Only — Do Not Enter Cents

ASSETS	ASSETS	From SCH #	Start of Reporting Period (A)	End of Reporting Period (B)
	Item			
	25. Cash.....	1	1 5 5 4 9	5 2 4 9 0
	26. Accounts Receivable.....		0	0
	27. Loans Receivable.....		0	0
	28. U.S. Treasury Securities		0	0
	29. Investments	2	2 1 5 2	4 5 5 8
	30. Fixed Assets	5	1 9 0 4 5 9	1 7 8 7 9 1
	31. Other Assets	3	5 0 2 9	4 1 1 4
	32. TOTAL ASSETS		2 1 3 1 8 9	2 3 9 9 5 3

LIABILITIES	LIABILITIES	From SCH #	Start of Reporting Period (C)	End of Reporting Period (D)
	Item			
	33. Accounts Payable.....	8	2 3 5 4 8	1 8 2 3 9
	34. Loans Payable		(4 8 0)	0
	35. Mortgages Payable		3 1 4 3 4 8	3 1 2 6 4 3
	36. Other Liabilities	4	5 0 0 0 0	2 5 0 0 0
	37. TOTAL LIABILITIES		3 8 7 4 1 6	3 5 5 8 8 2
	38. NET ASSETS (Item 32 less Item 37)		(1 7 4 2 2 7)	(1 1 5 9 2 9)

STATEMENT B — RECEIPTS AND DISBURSEMENTS

FILE NUMBER: 5 3 1 - 7 1 5

Complete Schedules 1 Through 15 Before Completing Statement B

Enter Amounts in Dollars Only — Do Not Enter Cents

CASH RECEIPTS		From SCH #	AMOUNT	CASH DISBURSEMENTS		From SCH #	AMOUNT
Item				Item			
39. Dues			9 0 7 9 5 3	56. To Officers	9		8 6 1 2 8
40. Per Capita Tax			0	57. To Employees	10		1 5 7 7 4 7
41. Fees			0	58. Per Capita Tax			3 5 2 6 8 1
42. Fines			0	59. Fees, Fines, Assessments, etc.			0
43. Assessments			0	60. Office & Administrative Expense	13		1 2 4 2 0 7
44. Work Permits			0	61. Educational & Publicity Expense ...			0
45. Sale of Supplies			0	62. Professional Fees			5 2 8 6 7
46. Interest			1 6 0	63. Benefits	11		7 5 4 9 4
47. Dividends			2 5 0	64. Contributions, Gifts & Grants	12		4 0 8 5
48. Rents			0	65. Supplies for Resale			0
49. Sale of Investments & Fixed Assets	6		0	66. Direct Taxes			3 0 5 1 9
50. Loans Obtained	8		0	67. Withholding Taxes			6 2 4 4 9
51. Repayments of Loans Made	1		0	68. Purchase of Investments & Fixed Assets	7		3 5 0 2
52. On Behalf of Affiliates for Transmittal to Them			0	69. Loans Made	1		0
53. From Members for Disbursement on Their Behalf			0	70. Repayment of Loans Obtained	8		0
54. Other Receipts	14		1 4 7 7 5 7	71. To Affiliates of Funds Collected on Their Behalf			0
				72. On Behalf of Individual Members ...			0
				73. Other Disbursements	15		6 9 5 0 0
55. TOTAL RECEIPTS			1 0 5 6 1 2 0	74. TOTAL DISBURSEMENTS			1 0 1 9 1 7 9

If more space is needed to complete Schedules 1 through 8 or 11 through 15, continue on additional pages, using the same column headings used on the schedule, and enter the totals on the line provided for additional pages in each schedule. For Schedules 9 and 10, use the continuation pages provided.

FILE NUMBER: 5 3 1 - 7 1 5

Enter Amounts in Dollars Only — Do Not Enter Cents

SCHEDULE 1 — LOANS RECEIVABLE

List below loans to officers, employees, or members which at any time during the reporting period exceeded \$250 and list all loans to business enterprises regardless of amount. (A)	Loans Outstanding at Start of Period (B)	Loans Made During Period (C)	Repayments Received During Period		Loans Outstanding at End of Period (E)
			Cash (D)(1)	Other Than Cash (D)(2)	
1. Name: _____ Purpose: _____ Security: _____ Terms of Repayment: _____					
2. Name: _____ Purpose: _____ Security: _____ Terms of Repayment: _____					
3. Name: _____ Purpose: _____ Security: _____ Terms of Repayment: _____					
4. Totals from additional pages (if any)					
5. Totals of loans not listed above					
6. Totals of Lines 1 through 5	0	0	0	0	0
Enter the Totals from Line 6 in <div style="display: flex; justify-content: space-between; width: 100%;"> ↑ Item 27 Column (A) ↑ Item 69 ↑ Item 51 ↑ Item 75 with Explanation ↑ Item 27 Column (B) </div>					

SCHEDULE 2 — INVESTMENTS (OTHER THAN U.S. TREASURY SECURITIES)

Description (A)	Amount (B)
Marketable Securities	
1. Total Cost	2,474
2. Total Book Value	4,558
3. List each marketable security which has a book value over \$1,000 and exceeds 20% of Line 2.	
(a) Boykin Lodging Company	1,190
(b) _____	
(c) _____	
(d) _____	
Other Investments	
4. Total Cost	0
5. Total Book Value	0
6. List each other investment which has a book value over \$1,000 and exceeds 20% of Line 5. Also list each subsidiary for which separate reports are attached.	
(a) _____	
(b) _____	
(c) _____	
(d) _____	
(e) Total from additional pages (if any)	
7. Total of Lines 2 and 5	4 5 5 8
Enter the Total from Line 7 in Item 29, Column (B)	

FILE NUMBER: 5 3 1 -7 1 5

SCHEDULE 3 — OTHER ASSETS

Description (A)	Book Value (B)
1. Loan fee	4,114
2.	
3.	
4.	
5.	
6. Total from additional pages (if any)	
7. Total of Lines 1 through 6	4 1 1 4
Enter the Total from Line 7 in Item 31, Column (B)	

SCHEDULE 4 — OTHER LIABILITIES

Description (A)	Amount at End of Period (B)
1. Per capita tax	25,000
2.	
3.	
4.	
5.	
6. Total from additional pages (if any)	
7. Total of Lines 1 through 6	2 5 0 0 0
Enter the Total from Line 7 in Item 36, Column (D)	

SCHEDULE 5 — FIXED ASSETS

FILE NUMBER: 5 3 1 - 7 1 5


Description (A)	Cost or Other Basis (B)	Total Depreciation or Amount Expensed (C)	Book Value (D)	Fair Market Value (E)
1. Land (give location): 548- 20th St., Oakland, CA	47,500		47,500	
2. Totals from additional pages (if any)				
3. Buildings (give location): 548- 20th St., Oakland, CA	204,057	89,876	114,181	
4. Totals from additional pages (if any)				
5. Automobiles and Other Vehicles				
6. Office Furniture and Equipment	98,754	81,644	17,110	
7. Other Fixed Assets				
8. Totals of Lines 1 through 7	350,311	171,520	178,791	
Enter the Total from Line 8, Column (D) in Item 30, Column (B)				

SCHEDULE 6 — SALE OF INVESTMENTS AND FIXED ASSETS






Description (if land or buildings, give location) (A)	Cost (B)	Book Value (C)	Gross Sales Price (D)	Amount Received (E)
1.				
2.				
3.				
4.				
5. Totals from additional pages (if any)				
6. Totals of Lines 1 through 5				
		7. Less Reinvestments		
		8. Net Sales		0
Enter the Total from Line 8 in Item 49				

SCHEDULE 7 — PURCHASE OF INVESTMENTS AND FIXED ASSETS

FILE NUMBER: 5 3 1 - 7 1 5

Description (if land or buildings, give location) (A)	Cost (B)	Book Value (C)	Cash Paid (D)
1. Common stock	3,502	3,502	3,502
2.			
3.			
4.			
5. Totals from additional pages (if any)			
6. Totals of Lines 1 through 5			
	7. Less Reinvestments		0
	8. Net Purchases		3 5 0 2
Enter the Total from Line 8 in  Item 68			

SCHEDULE 8 — LOANS PAYABLE

Source of Loans Payable at Any Time During the Reporting Period (A)	Loans Owed at Start of Period (B)	Loans Obtained During Period (C)	Repayment Made During Period		Loans Owed at End of Period (E)
			Cash (D)(1)	Other Than Cash (D)(2)	
1.					
2.					
3.					
4.					
5. Totals from additional pages (if any)					
6. Totals of Lines 1 through 5	0	0	0	0	0
Enter the Totals from Line 6 in  Item 34 Column (C)  Item 50  Item 70  Item 75 with Explanation  Item 34 Column (D)					

SCHEDULE 9 — ALL OFFICERS AND DISBURSEMENTS TO OFFICERS

FILE NUMBER: 5 3 1 — 7 1 5

(A) Name <small>(List all persons who held office during the reporting period even if they received no salary or other disbursements. Use all capital letters.)</small>		Gross Salary (before taxes and other deductions) (D)	Allowances (E)	Disbursements for Official Business (F)	Other Disbursements (G)	Total (H)
(B) Title <small>(Enter title of officer, such as PRESIDENT or TREASURER.)</small>	Status (C)*					
Last Name: 1. D U P O N T First Name: J A M E S Title: P R E S I D E N T Status: C		0	0	1 8 3 3	0	1 8 3 3
Last Name: 2. M I T C H E L L First Name: V I N C E N T Title: V I C E P R E S I D E N T Status: C		3 3 0 0 0	0	4 0 0	0	3 3 4 0 0
Last Name: 3. C O L L I N S First Name: D O N N A Title: S E C T - T R E A S U R E R Status: P		2 1 4 5 0	0	9 7 5	0	2 2 4 2 5
Last Name: 4. R U B Y K L I N K First Name: S T E P H A N I E Title: S E C T Y - T R E A S U R E R Status: N		3 9 6 5 0	0	4 5 8 9	0	4 4 2 3 9
Last Name: 5. S A L A Z A R First Name: W I L S O N Title: E X E C B O A R D Status: C		0	0	0	0	0
Last Name: 6. F A I R B A N K S First Name: F E R N Title: E X E C B O A R D Status: C		0	0	0	0	0
Last Name: 7. B R O W N First Name: C O R A N N Title: R E C O R D I N G S E C T Y Status: C		1 0 4 2 2	0	0	0	1 0 4 2 2
8. Totals from additional pages (if any)		0	0	0	0	0
9. Totals of Lines 1 through 8		104,522	0	7,797	0	112,319
				10. Less Deductions 2 6 1 9 1		
Enter the Total from Line 11 in Item 56 ⇨				11. Net Disbursements 8 6 1 2 8		

*Code for Status (C): past officer — P; continuing officer — C; new officer during the reporting period — N.


(If any officer was not elected at a regular election in accordance with your organization's constitution and bylaws, explain in Item 75 on page 1.)

FILE NUMBER: 5 3 1 - 7 1 5


Form LM-2 (Revised 2000)

SCHEDULE 11 — BENEFITS


FILE NUMBER: 5 3 1 - 7 1 5

Description (A)	To Whom Paid (B)	Amount (C)
1.		
2.		
3.		
4.		
5. Total from additional pages (if any)		75,494
6. Total of Lines 1 through 5		7 5 4 9 4
Enter the Total from Line 6  Item 63		

SCHEDULE 12 — CONTRIBUTIONS, GIFTS & GRANTS

Description (A)	Amount (B)
1. Labor organizations	2,175
2. Civic and charitable	1,410
3. Other	500
4.	
5.	
6.	
7. Total from additional pages (if any)	
8. Total of Lines 1 through 7	4 0 8 5
Enter the Total from Line 8 in  Item 64	

SCHEDULE 13 — OFFICE & ADMINISTRATIVE EXPENSE

Description (A)	Amount (B)
1.	
2.	
3.	
4.	
5.	
6.	
7. Total from additional pages (if any)	124,207
8. Total of Lines 1 through 7	1 2 4 2 0 7
Enter the Total from Line 8 in  Item 60	

SCHEDULE 14 — OTHER RECEIPTS

Description (A)	Amount (B)
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12.	
13.	
14.	
15.	
16. Total from additional pages (if any)	147,757
17. Total of Lines 1 through 16	1 4 7 7 5 7
<div style="text-align: center;">↑</div> Enter the Total from Line 17 in Item 54	

SCHEDULE 15 — OTHER DISBURSEMENTS

Description (A)	Amount (B)
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12.	
13.	
14.	
15.	
16. Total from additional pages (if any)	69,500
17. Total of Lines 1 through 16	6 9 5 0 0
<div style="text-align: center;">↑</div> Enter the Total from Line 17 in Item 73	

ORGANIZATION NAME:
Hotel Employees & Restaurant Employees, Local 2850

ENDING DATE OF PERIOD COVERED:
12-31-00

FILE NUMBER: 531-715

PAGE 1 OF 8 ADDITIONAL PAGES

SCHEDULE 9 — ALL OFFICERS AND DISBURSEMENTS TO OFFICERS *(continued)*

(A) Name <small>(List all persons who held office during the reporting period even if they received no salary or other disbursements. Use all capital letters.)</small>		Gross Salary (before taxes and other deductions) (D)	Allowances (E)	Disbursements for Official Business (F)	Other Disbursements (G)	Total (H)
(B) Title <small>(Enter title of officer, such as PRESIDENT or TREASURER.)</small>	Status (C)					
Last Name H I N T Z E First Name J O N A T H A N Title E X E C B O A R D Status C						
Last Name P R E E First Name P A M E L A Title E X E C B O A R D Status C						
Last Name R O B I N S O N First Name F R A N C E S Title E X E C B O A R D Status C						
Last Name Q U E S A D A First Name R O B E R T Title E X E C B O A R D Status C						
Last Name A S G A R I First Name D A V O O D Title E X E C B O A R D Status C						
Last Name R O D R I G U E Z First Name C A R M E N Title E X E C B O A R D Status N						
Last Name T H U R S T O N First Name E L L I O T T Title T R U S T E E Status N						
Last Name D E N N E T T First Name S U E Title T R U S T E E Status N						
Totals		0	0	0	0	0

ORGANIZATION NAME:
Hotel Employees & Restaurant Employees, Local 2850

ENDING DATE OF PERIOD COVERED:
12-31-00

FILE NUMBER: 531-715

PAGE 2 OF 8 ADDITIONAL PAGES

SCHEDULE 9 — ALL OFFICERS AND DISBURSEMENTS TO OFFICERS (continued)

(A) Name <small>(List all persons who held office during the reporting period even if they received no salary or other disbursements. Use all capital letters.)</small>		Gross Salary (before taxes and other deductions) (D)	Allowances (E)	Disbursements for Official Business (F)	Other Disbursements (G)	Total (H)
(B) Title <small>(Enter title of officer, such as PRESIDENT or TREASURER.)</small>	Status (C)					
Last Name: P E N A First Name: P A U L Title: E X E C B O A R D Status: N						
Last Name: C O R R A L First Name: J O E L Title: E X E C B O A R D Status: N						
Last Name: C O O K First Name: J E F F Title: T R U S T E E Status: N						
Last Name: _____ First Name: _____ Title: _____ Status: _____						
Last Name: _____ First Name: _____ Title: _____ Status: _____						
Last Name: _____ First Name: _____ Title: _____ Status: _____						
Last Name: _____ First Name: _____ Title: _____ Status: _____						
Totals		0	0	0	0	0

H.E.R.E. AFL-CIO LOCAL 2850

LM File No. 531-715

December 31, 2000

Line 75 - Additional Information

Item No.

- 11 Hotel Employees and Restaurant Employees Health and Welfare Trust Fund
P.O. Box 16
Novato, CA 94548
Purpose: To provide pension and health and welfare benefits to member participants
- Hotel, Restaurant Employees & Bartenders International Union Pension Plan
William L. Meyers, Inc. (Plan Administrator)
29 South Webster, Naperville, IL 60566
Purpose: To provide pension and health and welfare benefits to member participants.
- 14 An independent audit was performed by Patrick L. Sullivan, Certified Public Accountant.
- 23 Land and building at 548 20th Street, Oakland, CA are secured by a first trust deed payable to Community Bank of the Bay.
- 24 Either \$500. or \$1,000. death benefit is payable if a member has uninterrupted membership from 1975 to date of death.
- 24 A \$1,200. death benefit is payable to a member's beneficiary if that member was retired as of June, 1989 and his (or her) dues are current.

H.E.R.E. AFL-CIO LOCAL 2850

LM File No. 531-715

December 31, 2000

Schedule 11 - Benefits

<u>Description</u> (A)	<u>To Whom Paid</u> (B)	<u>Amount</u> (C)
Health and welfare	Trust funds	\$ 49,644
Pension	Trust funds	21,136
Death benefits	Member's beneficiaries	2,250
Lost time wages	Members	1,765
Dues for members (excess over withholding)	Local 2850	337
Supplemental life insurance	Trust funds	<u>362</u>
Total benefits		<u><u>\$ 75,494</u></u>

LM File No. 531-715

December 31, 2000

Schedule 13 - Office & Administrative Expense

(A)	(B)
<u>Description</u>	<u>Amount</u>
Printing, stationery and office supplies	\$ 22,792
Telephone	34,392
Insurance	12,883
Janitorial service	8,690
Postage	11,251
Utilities	7,999
Pest control	630
Petty cash expenditures	11
Scavenger	2,602
Bank payroll processing service charge	2,560
Dues and subscriptions	990
Bank service charge	178
Equipment repair and maintenance	6,670
Building repair, maintenance and supplies	1,968
Office equipment lease	<u>10,591</u>
Total office and administrative expense	<u><u>\$ 124,207</u></u>

LM File No. 531-715

December 31, 2000

Schedule 14 - Other Receipts:

(A)	(B)
<u>Description</u>	<u>Amount</u>
Transfer from H.E.R.E. Local 126	\$ 3,067
Voided payroll checks redeposited	1,765
From International for interns and organizing expense	55,277
International burial benefits	750
Garnishment collected from employee	87
Reimbursed expense	1,045
Workers compensation insurance dividend and refund	3,900
Write off of old outstanding checks	11,019
Refund of overpaid invoice	3,006
Cash in lieu of fractional shares	6
City of Oakland HEART program	37,696
Refund of overpaid payroll taxes	1,870
Reimbursed advance	426
S.E.I.U. Local 1877 for administrative expense	27,668
Member contribution	75
Advance repaid by employee	<u>100</u>
Total other receipts	<u>\$ 147,757</u>

H.E.R.E. AFL-CIO LOCAL 2850

LM File No. 531-715

December 31, 2000

Schedule 15 - Other Disbursements:

(A)	(B)
<u>Description</u>	<u>Amount</u>
Mortgage payment:	\$
Principal	2,537
Interest	30,110
Negotiation, meeting and organizing expense	14,901
Refund of dues and fees	4,335
Checks returned by bank as dishonored	382
Other payroll deductions forwarded	1,196
Filing fee	20
Allowances and expense reimbursements	7,491
Translation expense	3,524
Interest, penalties and late fees	432
City license	165
Purchase of T-shirts, etc. for members	2,726
Staff training	1,181
Banquets and dinners	<u>500</u>
Total other disbursements	<u>\$69,500</u>

Page 8 of 8 additional pages

Hotel Employees and Restaurant Employees Union
Local 2850
Oakland, California

We have audited the Labor Organization Annual Report Form LM-2 and the accompanying schedules of the Hotel Employees and Restaurant Employees Union, Local No. 2850 for the year ended December 31, 2000. This report is the responsibility of the union's management. Our responsibility is to express an opinion on this report based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The report was prepared on a form prescribed by the Department of Labor and therefore includes only that information required to be presented by the form. Accordingly, the accompanying report is not intended to present financial position and results of operations in conformity with generally accepted accounting principles. This report is intended solely for filing with regulatory agencies and is not intended for any other purpose.

In our opinion, the Labor Organization Annual Report (Form LM-2) and accompanying schedules of the Hotel Employees and Restaurant Employees Union, Local 2850 for the year ended December 31, 2000 presents fairly in all material respects, the information shown therein in accordance with the applicable provisions of the form including instructions thereto.

Patrick L. Sullivan

January 23, 2001

